

Condensed Title:

Resolution of the Mayor and City Commission of the City of Miami Beach, Florida, authorizing the Administration to charge customers \$75.00 for an online lien search, \$113.00 for a condominium online lien search, \$100.00 for a certified lien search and \$150 for a certified condominium lien search.

Key Intended Outcome Supported:

- Enhance external/internal communication from and within the City;
- Increase resident satisfaction with employee contact;
- Improve process through Information Technology;
- Improve the City's overall financial health and maintain overall bond rating;
- Ensure expenditure trends are sustainable over the long term; and
- Make City More Business Friendly.

Supporting Data (Surveys, Environmental Scan, etc.): The 2009 Community Satisfaction Survey states that 65% of residents and 55% of businesses ranked the City either excellent or good for the overall value of City Services received for tax dollars paid. 67% of business respondents would recommend Miami Beach to others as a place to run a business. 66% of residents and 55% of businesses felt they received the right amount of information from the City.

Issue:

Shall the City Commission Adopt the Resolution?

Item Summary/Recommendation:

The City of Miami Beach processes approximately 2,250 lien searches annually. Current fees for lien searches range from \$50 to \$75, with approximate revenues at \$118,750. Customers are able to conduct a lien search online, 24 hours a day, from the comforts of their home or business computer and receive the results in minutes. If a customer requires a certified lien search, they are able to file a request with the Finance Department.

In October 2007, the City of Miami Beach established the current fee structure for lien searches, as well as, released a web-based lien search system (System). When conducting a lien search, the System researches open building permits, code violations, building violations, in addition to unpaid amounts for City charges (i.e. water, sewer, stormwater, waste, resort tax, special assessments, business tax, and miscellaneous City bills).

The System receives daily uploads of account information compiled by the City's Information Technology Department from the City's various information systems. The account information is sorted by address and folio number and is retrieved from the System by customers inputting the property's address and/or folio number on-line.

Customers are able to conduct a lien search online, 24 hours a day, from the comfort of their home or business computer and receive the results in minutes. If a customer requires a certified lien search, they are able to file a request with the Finance Department.

The Finance Department has analyzed its costs to process lien searches. This analysis takes into account the labor costs, as well as, related materials and overhead associated with processing searches,

Advisory Board Recommendation:

The City of Miami Beach Finance and Citywide Projects Committee, at their July 8, 2009 meeting, recommended the proposed fees be charged.

Financial Information:

Source of Funds:	Amount	Account	Approved
1			
2			
Total			

N/A
OBPI

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Trish Walker, ext. 6461

Sign-Offs:

Department Director	Assistant City Manager	City Manager
GPE <i>[Signature]</i>	PDW <i>[Signature]</i>	JMG <i>[Signature]</i>





MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: September 24, 2009

SUBJECT: **RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE ADMINISTRATION TO CHARGE CUSTOMERS \$75.00 FOR AN ONLINE LIEN SEARCH, \$113.00 FOR A CONDOMINIUM ONLINE LIEN SEARCH, \$100.00 FOR A CERTIFIED LIEN SEARCH AND \$150 FOR A CERTIFIED CONDOMINIUM LIEN SEARCH.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution

KEY INTENDED OUTCOMES SUPPORTED

- Enhance external/internal communication from and within the City;
- Increase resident satisfaction with employee contact;
- Improve process through Information Technology;
- Improve the City's overall financial health and maintain overall bond rating;
- Ensure expenditure trends are sustainable over the long term; and
- Make City More Business Friendly.

BACKGROUND

The City of Miami Beach processes approximately 2,250 lien searches annually. Current fees for lien searches range from \$50 to \$75, with approximate revenues at \$118,750 (Figure 1).

Figure 1 – FY 2009 Lien Revenues

City of Miami Beach FY 2009 Lien Revenues			
Finance Department Lien Division			
Description	No. of Purch.	Current Fee	Current Revenue
On-Line Lien Searches - Condos	1,500	\$50.00	\$75,000.00
On-Line Lien Searches - Other	500	\$50.00	\$25,000.00
Certified Lien Searches - Condos	188	\$75.00	\$14,100.00
Certified Lien Searches - Other	62	\$75.00	\$4,650.00
	2,250		\$118,750.00

In October 2007, the City of Miami Beach established the current fee structure for lien searches, as well as, released a web-based lien search system (System). When conducting a lien search, the System researches open building permits, code violations, building violations, in addition to unpaid amounts for City charges (i.e. water, sewer, stormwater, waste, resort tax, special assessments, business tax, and miscellaneous City bills).

The System receives daily uploads of account information compiled by the City's Information Technology Department from the City's various information systems. The account information is sorted by address and folio number and is retrieved from the System by customers inputting the property's address and/or folio number on-line.

Customers are able to conduct a lien search online, 24 hours a day, from the comfort of their home or business computer and receive the results in minutes. If a customer requires a certified lien search, they are able to file a request with the Finance Department.

The Finance Department has analyzed its costs to process lien searches. This analysis takes into account the labor costs, as well as, related materials and overhead associated with processing searches.

There are 1.5 Finance Department staff members dedicated to lien searches, for a total of 2,340 productive hours annually. 2,340 productive hours at the Finance Department's Revenue Division's blended hourly rate of \$90 equates to \$210,600 in all costs (including labor, materials and overhead). In addition to these costs, the City pays \$8 per lien search for searches conducted on the System. With an average 2,000 on-line lien searches conducted at \$8 per search, System charges equate to \$16,000. In addition to these costs, approximately 14 hours per month, for a total of 168 hours per year, are spent reconciling lien revenues and expenditures, updating and backing up various City databases, as well as reconciling customer accounts that have pre-purchased on-line lien searches. The 168 hours at the Finance Department's Revenue Division's blended hourly rate of \$90 equates to \$15,120 in costs. Therefore, total costs for maintaining and operating the lien's section is approximately \$241,720.

As a result of this intensive effort, the City of Miami Beach Finance and Citywide Projects Committee (Committee), at their July 8, 2009 meeting, concurred with staff recommendations and moved the proposed fees for lien searches to City Commission for review:

- On-Line Lien Search: \$75;
- On-Line Lien Search – Condominium: \$113;
- Certified Lien Search : \$100; and
- Certified Lien Search – Condominium: \$150.

A lien search for a condominium unit is more complex and requires 1.5 times the effort of a single property search, as it involves conducting a search for common areas associated with the condominium unit in addition to the unit.

The Finance Department and Office of Budget and Performance Improvement have conducted an analysis of the proposed revenue impacts to the City. The proposed lien search fee structure would result in an additional \$122,650 in revenues to the City (Figure 2).

Figure 2 – FY 2010 Proposed Lien Revenues

City of Miami Beach FY 2010 Budget Analysis of Proposed Fee Increase for Lien Statements						
Finance Department Lien Division						
Description	No. of Purch.	Current Fee	Proposed Increase	Proposed Fee	Proposed Increase	FY 2010 Budget
On-Line Lien Searches - Condos	1,500	\$50.00	\$63.00	\$113.00	\$94,500.00	\$169,500.00
On-Line Lien Searches - Other	500	\$50.00	\$25.00	\$75.00	\$12,500.00	\$37,500.00
Certified Lien Searches - Condos	188	\$75.00	\$75.00	\$150.00	\$14,100.00	\$28,200.00
Certified Lien Searches - Other	62	\$75.00	\$25.00	\$100.00	\$1,550.00	\$6,200.00
Total	2,250				\$122,650.00	\$241,400.00

CONCLUSION

The City Administration recommends that the Mayor and City Commission of the City of Miami Beach, Florida, adopt the attached resolution, authorizing the Administration to charge customers \$75.00 for an online lien search, \$113.00 for a condominium online lien search, \$100.00 for a certified lien search and \$150 for a certified condominium lien search.

JMG/PDW/GE/MM

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RESOLUTION TO BE SUBMITTED